



AFFORDABLE HOUSING INDICATORS

I. Purpose of Affordable Housing Indicators

The key outcomes of the Countywide Planning Policies' affordable housing policies are to:

- Provide Sufficient Affordable Housing for all King County Residents
- Promote Affordable Home Ownership Opportunities
- Promote Equitable Distribution of Affordable Low-Income Housing throughout King County

The Affordable Housing Indicators were developed to monitor the achievement of the Countywide Planning Policies for affordable housing and to identify trends that are both consistent and inconsistent with these policies. Over time, the Affordable Housing Indicators will allow the Growth Management Planning Council (GMPC) to evaluate the region's progress in fulfilling the adopted Countywide Planning Policies for affordable housing.

II. Key Observations

Indicator #21 Supply and demand for affordable housing.

- Households in the lowest income category (less than 30% of median household income), who make up 11% of King County's total households, have vastly fewer affordable housing options than higher income groups. In particular, home ownership opportunities are extremely rare.
- In the 1990 Census, there were 68,327 households with incomes less than 30% of median, or \$10,850. Affordable housing for this income range is \$275 per month. There were only 34,695 existing rental units in this range.

Indicator #22 Percent of income paid for housing.

- The lower a household's income is, the more likely they are to pay a higher percentage of their income for housing costs. This is true for renters as well as homeowners.
- When low income families pay more than 30% of their income for housing, resources are often diverted from other essentials -- clothing, food and utilities. These households may also be at greater risk of homelessness.
- Almost 80% of *renter* households in the two lowest income categories (less than 50% of median income) paid more than a third of their income to housing costs in 1990. Low income renters have no protection from rising monthly rents and build no equity in their homes.
- Approximately 45% of *homeowner* households in the two lowest income categories paid more than a third of their income to housing costs in 1990.

Indicator #23 Homelessness.

- Existing estimates of total persons homeless in King County are in the range of 5,500; this number includes an educated guess of the unsheltered population outside Seattle. The unsheltered population that is dispersed outside Seattle is the least documented segment of the homeless. The 5,500 estimate is used as a minimum rather than a true estimate of the magnitude of the problem.

Indicator #24 Home purchase affordability gap for buyers with (a) median renter household income and (b) median household income.

- Fannie Mae surveys have shown that over 80% of renters nationwide would like to own their own home.



Metropolitan King County *Countywide Planning Policies* Benchmark Program

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- Home ownership is not an affordable option for King County households with typical renter incomes. Factors contributing to this problem include stagnating incomes, rising home prices, and increasing ancillary costs such as fees, taxes and insurance.
- In 1997, the median renter household had an income of \$30,373, or 67% of the County median income. With low down payment financing, this household could afford to purchase a home for \$90,600. The median home price was \$184,800. In the tri-county area only 7% of all homes (3,200 out of 44,533) sold for less than \$90,000.
- The household earning 100% of the County median income could purchase the median home in 1993 and 1994, but faced an affordability gap beginning in 1995. This gap is expected to increase over the next few years as a local economic boom exerts greater pressure on house prices.

Indicator #25 Home ownership rate.

- Home ownership rates are declining in the Puget Sound region. Decreasing affordability is the primary factor. Declines in home ownership have been concentrated among specific groups, including married couples with young children and single heads of households.
- In 1995 the home ownership rate for the Seattle Metropolitan Area, which encompasses King and Snohomish counties, was 61%. The Portland metropolitan area's home ownership rate was 60.3%; Salt Lake City 74.4%; and Denver 65.9%. San Francisco area's rate was 53.8%.

Indicator #26 Apartment vacancy rate.

- King County's average vacancy rates for 1994 and 1995 showed a downward trend from 5.8% to 4.95%. The County's vacancy rate for 1997 fell to 2.8%, hitting a six-year low.
- Low vacancy rates suggest demand for new units and upward pressure on rents. High rates suggest excess capacity and downward pressure on rents. A vacancy rate of 5% is generally regarded as a normal market rate.

Indicator #27 Trend of housing costs vs. income.

- Average house prices have increased more dramatically than median household income over the last three years. Increases in average rent have correlated more closely with changes in median income.
- Single family home prices reached their maximum rate of increase in the late 1980s -- the annual average increase was 12.5% per year in 1985 through 1990. The rate of increase was slower in the first half of the 1990s at 3% or less each year. Although the rate of increase was slower in the first half of the 1990s, home prices have again increased rapidly in 1996 and 1997, fueled by a regional economic boom.

Indicator #28 Public dollars spent for low income housing

- The purpose of Indicator #28 is to track the individual contributions each King County jurisdiction is making toward affordable housing for King County citizens at or below 80% of the median income. In 1997 \$24,990,00 was spent for low income housing. These public dollars also leverage a significant amount of federal and state funds.

Indicator #29 Housing affordable to low-income households.

- Overall, Rural and South King County cities have the highest proportion of affordable housing. Cities on the Eastside have the lowest proportion of affordable housing.

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III. Discussion

Affordable Housing in the Countywide Planning Policies

The Countywide Planning Policies (CPPs) stress the importance of providing affordable housing for all economic segments of the population, and the need for an equitable distribution of affordable housing throughout the County's jurisdictions.

The Countywide Planning Policies call for all jurisdictions in King County to plan for a certain number of housing units affordable to each of two income groups:

- Each jurisdiction shall plan for 17% of its projected net household growth over the 20 year planning period to be affordable for households with incomes between 50% and 80% of the County median household income.
- Each jurisdiction shall plan for an additional 20% or 24% of its projected net household growth to be affordable for households with incomes below 50% of the County median household income.

Countywide efforts for affordable housing are designed to reverse current trends which concentrate low income housing in certain communities, and achieve a more equitable participation by local jurisdictions in low income housing development and services. Factors that are important to the distribution of low and moderate income housing include proximity to low-wage employment, access to transportation and human services, adequacy of infrastructure to support housing development, avoiding the over-concentration of assisted housing, and increasing housing options for low and moderate income households.

A key factor in promoting affordable housing is providing sufficient land for housing development. The CPPs encourage jurisdictions to provide for affordable housing by zoning additional land for higher residential densities. Upzoning provides capacity for growth, reduces land development cost per unit, and allows for lower cost construction types such as attached dwellings. Higher density housing includes a range of housing types including small-lot single family, attached single family, mobile home parks, apartments and condominiums. Zoning changes that permit additional housing in established areas might allow accessory units (mother-in-law units), carriage houses and residences built above commercial establishments. These options can contribute to affordable housing opportunities.

Affordable Housing for First Time Buyers

The ability of households to purchase their first home is a critical measure of housing affordability. Fannie Mae surveys show that over 80% of renters would prefer to own their own home, yet home ownership rates are falling in King County and throughout the Puget Sound region, due in large part to the difficulty young households face in purchasing their first home.

The typical renter household's income is only 67% of the County overall median household income. In 1997, the typical renter using first-time buyer financing could afford to buy a home for \$90,600. However, only 7% of all home sales in 1997 were for less than \$90,000. The median-priced house on the market sold for \$184,800. By May of 1998, the median single family house price had risen to \$215,000. Stagnating incomes, rising home prices and fluctuations in interest rates are key factors contributing to the affordability gap. First time buyers face an affordability gap throughout the four-county region (King, Kitsap, Pierce and Snohomish Counties), but the problem is significantly worse in King County. Households that relocate outside of King County to find affordable homes may face longer commutes and greater household disruption.

Recent trends in condo development may help renter households transition into home ownership. In 1995, 41% of condos sold for under \$100,000. In some areas of South King County, up to 20% of condos were available for under



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\$50,000. However, in 1997 the median price of a condo or town home in King County was \$123,500, still considerably higher than the median renter's affordable price of \$90,600. In addition, housing market experts caution that many condominiums have been created by converting rental housing, and that these rental units may never be replaced.

Affordable Housing for Low-Income Home Buyers

Although increasing the supply of affordable ownership housing is a significant factor in boosting home ownership rates, for many low-income households simply increasing the supply is not enough. Attention must be paid to the demand as well as the supply side of the housing equation. These households face problems qualifying for loans to purchase housing and learning to maintain the housing once it is purchased. Many low-income households, especially those who have only lived in rental units, are ignorant of how to qualify for a mortgage loan or how to maintain a home. Early counseling on credit, budgeting, and saving plans can provide a pre-qualified market ready to purchase the supply of affordable ownership housing. Also, through programs like the Community Home Ownership Center (CHOC), these households can learn of the many existing financing programs to help them purchase homes once their credit and budgeting issues are in order.

In addition, for those households who have never lived in their own home, a basic home maintenance course regarding gutters, heating systems, lawns and other information on the responsibilities of home ownership would help new owners preserve their investment. Since low-income households often have little income for housing maintenance after paying the mortgage, insurance and property taxes, maintenance programs could inform these owners about their responsibilities and also identify cost-effective methods for home maintenance.

Affordable Housing for Low-Income Renters

One dilemma that affects all low-income households is a lack of choice in the location of their housing. Low-income households' housing choices are constrained because the affordability of housing is much more critical to these households than it is to higher income households. The Affordable Housing Indicators show both that there is a great need for housing affordable to low-income households and that most of the housing affordable to these households is in South or Rural King County. Many affordable units are located in areas with insufficient transportation and inadequate services. Often these affordable housing opportunities will not be conveniently located to a household's place(s) of employment. Given the location of much of the housing affordable to low income people, many will suffer from lack of adequate transportation, services and access to employment. These factors will increase their cost of living and affect their ability to pay for basic expenses such as food and health care. Throughout the County, as we progress in attaining the goals of the Countywide Planning Policies, everyone's access to transportation, employment, services and housing should improve.

IV. General Information About Indicators and Data Sources

Nine Indicators, numbered 21 through 29, were developed for affordable housing. Data for some of the Indicators are collected on a frequent basis, but many of the Indicators rely on U.S. Census data which is collected only every 10 years. Conversely, the data for Indicator #23 *Homelessness* is gathered frequently, but it is currently not collected in a reliable or comprehensive manner. If needed, the detailed report for each Indicator cites an option for either a more frequent or more reliable data source for that Indicator.

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V. Definitions of Terms

- **Affordability gap** is the difference between the home price a household can afford and the price of a typical home on the market.
- **Affordable housing** for renters assumes that a renter household pays no more than 30% of its total household income towards housing costs (including utilities). Affordable housing for homeowners assumes that a homeowner household pays no more than 25% of its total household income towards mortgage payments (i.e., principal and interest). This leaves 5% of income for taxes and insurance.
- **Homeless** refers to adults, children and youth sleeping in places not meant for human habitation (e.g. streets, parks, alleys, all-night commercial establishments, squatter situations, campgrounds, vehicles, railroad cars and other similar places); and adults, children, and youth in emergency or transitional shelters (including hotel/motel voucher arrangements paid because the person or family is homeless).
- **Housing cost for renters** includes rent and the estimated average monthly cost of utilities and fuels that are paid by the renter. **Housing cost for owners** includes payments for mortgages or similar debts on the property; real estate taxes; insurance; utilities and fuels. It also includes monthly condominium and mobile home costs.
- **Housing units** may be defined differently according to the data source used. For instance, some sources include condominiums in the count of owner housing and some do not. The definition of housing units is provided with each Indicator in the full report.
- **Median household income** is the income earned by the middle household if all households are arranged in order according to income. Half of the county's households earn below median income and half earn above median income. **Median renter household income** is the income earned by the middle renter if all renter households are arranged according to income. The median renter household income is approximately 67% of median household income.

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Outcome: Provide Sufficient Affordable Housing for all King County Residents

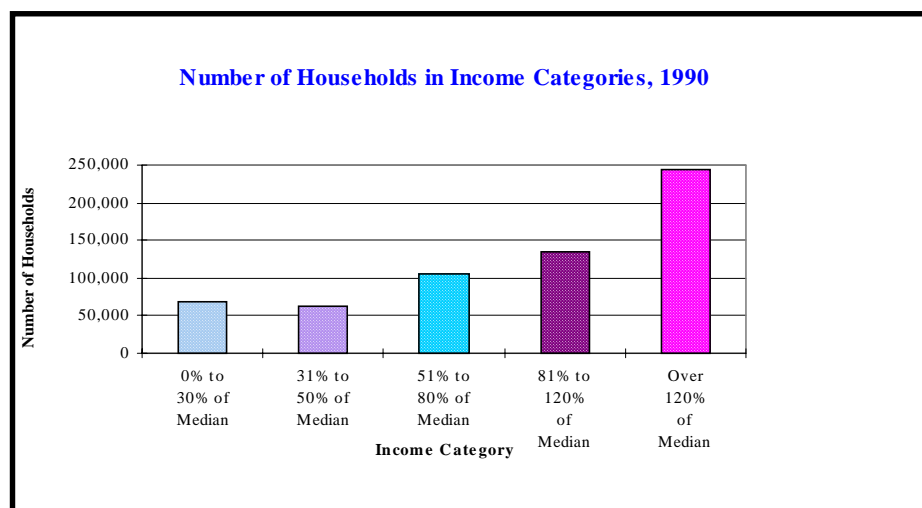
INDICATOR 21: Supply and demand for affordable housing.

- 1990 -					
Income Level As Percent of Countywide Median Household Income	Demand: Number of Households at Income Level	Supply: Number of Housing Units Affordable to Them (See Note, below)			Ratio of Supply to Demand
1990 Census Median Household Income was \$36,179. In 1997 it was \$45,266.		Rental Units (Cumulative)	Homeowner Units (Cumulative)	Total Units (Cumulative)	(Number of Units Provided per Unit Needed)
0% to 30%	68,327	34,695	1,821	36,517	.5 : 1
31% to 50%	63,411	140,040	7,937	147,978	2.3 : 1
51% to 80%	105,647	265,129	55,555	320,684	3.0 : 1
81% to 120%	135,153	288,836	154,762	443,598	3.3 : 1
Over 120%	244,153	293,527	341,657	635,184	2.6 : 1

*Note: By spending less than 30% of their income for housing, households in each income category can also afford all the housing units affordable to lower income categories. The count given here is cumulative, including all the housing units affordable at this income level as well as at lower income levels. When a household occupies a unit affordable to a lower income level, that decreases the supply theoretically available to the lower income households.

Definitions:

- To establish the number of housing units affordable to households in the designated income categories in the 1990 Census, the following assumptions were made: conventional financing with a 30 year term, 20% down payment, and an interest rate of 9.97%. Current interest rates are considerably lower than this 1990 rate (an average of 7.6% for conventional mortgages in 1997), but current housing prices are also much higher. Assuming a 20% down payment makes housing units appear more affordable than they would be to buyers using low down payment financing, because a lower down payment requires a higher monthly mortgage payment.*
- The number of housing units in each category was estimated from census data, which provide home values and rent prices for 89% of the county's housing units. The distribution of values and rents revealed by the 89% sample was assumed to apply to the entire housing stock.*
- Affordable housing for renters assumes that a renter household pays no more than 30% of its total household income towards housing costs (including utilities). Affordable housing for homeowners assumes that a homeowner household pays no more than 25% of its total household income towards mortgage payments (i.e., principal and interest, but not taxes and insurance).*

AFFORDABLE HOUSING INDICATORS**INDICATOR 21.***(continued from previous page)***Observations:**

- This Indicator provides a snapshot in time (as of 1990) comparing the purchasing power of existing residents to the existing housing units (both rental and owner occupied) affordable to them.
- Households in the lowest income category, who make up 11% of King County's total households, have vastly fewer affordable housing options than higher income groups. In particular, home ownership opportunities are extremely rare.
- In the 1990 Census, there were 68,327 households with incomes less than 30% of median, or \$10,850. Affordable housing for this income range is \$275 per month. There were only 34,695 existing rental units in this range.
- Homeowners' estimates of the value of their homes as reported in the census have been shown to be lower than the actual market value, hence this analysis overestimates how affordable these units would be if they were on the market.
- Households are not necessarily living in homes within their affordability range. Many people live in homes they bought before real estate prices rose dramatically, which they could not afford to purchase now. In addition, households with high income levels may live in houses more modest than what their purchasing power might suggest. This makes low-cost housing unavailable to lower income households because the units are occupied by higher income households.
- The gap in units affordable to lower income households is also illustrated by Affordable Housing Indicator #22, which shows that a disproportionate number of households in the lower income categories are paying more than 30% of their incomes for housing costs.

Data Sources: For rental prices and house values, *1990 Census of Housing, Washington State*. For household income, *1990 Census of Population and Housing, Social and Economic Characteristics, Washington State*. For 1990 and 1997 conventional mortgage interest rates, *Seattle-Everett Real Estate Research Report*.

Policy Rationale: The policy rationale stems from Countywide Planning Policies FW-28, AH-1, 2, 3, & 5, which recognize the importance of existing and new affordable housing to meet housing needs for all income groups. The Indicator will track the incremental changes in the proportion of units affordable to different income groups.

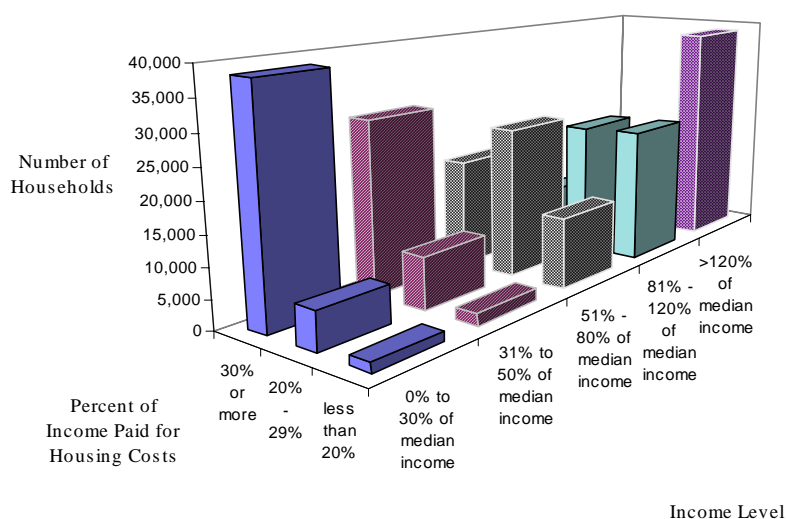
AFFORDABLE HOUSING INDICATORS

Outcome: Provide Sufficient Affordable Housing for all King County Residents

INDICATOR 22: Percent of income paid for housing.

A. Renters: Percent of Income Paid for Housing Costs by Income Level, 1990					
Percent of Income Paid for Housing Costs	Number and Percent of Renter Households in Income Category				
	0% to 30% of median income	31% to 50% of median income	51% - 80% of median income	81% - 120% of median income	>120% of median income
30% or more	38,265 (83%)	29,106 (73%)	18,479 (33%)	8,498 (16%)	1,248 (3%)
20% - 29%	6,479 (14%)	8,876 (22%)	25,479 (45%)	22,641 (42%)	8,896 (18%)
less than 20%	1,590 (3%)	2,044 (5%)	12,156 (22%)	23,017 (43%)	38,533 (79%)

Percent of Income Paid for Housing Costs by Renters, 1990



Definitions:

- Housing cost for renters is defined in the Census. It includes rent and the estimated average monthly cost of utilities and fuels that are paid by the renter.

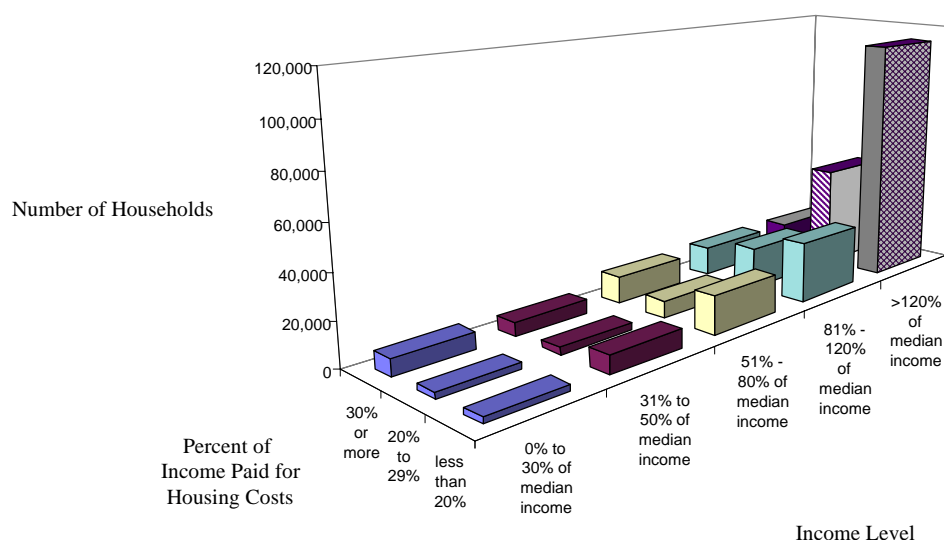
AFFORDABLE HOUSING INDICATORS

INDICATOR 22:

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B. Homeowners: Percent of Income Paid for Housing Costs by Income Level, 1990					
Percent of Income Paid for Housing Costs	Number and Percent of Homeowner Households in Income Category				
	0% to 30% of median income	31% to 50% of median income	51% - 80% of median income	81% - 120% of median income	>120% of median income
30% or more	7,751 (58%)	6,342 (35%)	12,127 (32%)	13,564 (22%)	13,486 (8%)
20% to 29%	2,965 (22%)	3,417 (19%)	8,027 (21%)	19,165 (32%)	46,810 (27%)
less than 20%	2,679 (20%)	8,284 (46%)	17,502 (46%)	27,931 (46%)	113,000 (65%)

Percent of Income Paid for Housing Costs by Home Owners, 1990



Definitions:

- Housing cost for owners is defined in the Census. It includes payments for mortgages or similar debts on the property; real estate taxes; insurance; utilities and fuels. It also includes monthly condominium and mobile home costs.

Observations:

- The lower a household's income is, the more likely they are to pay a higher percentage of their income for housing costs. This is true for renters as well as homeowners.



AFFORDABLE HOUSING INDICATORS

INDICATOR 22:

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- When low income families pay more than 30% of their income for housing, resources are often diverted from other essentials -- clothing, food and utilities. These households may also be at greater risk of homelessness.
- Almost 80% of renter households in the two lowest income categories (less than 50% of median household income) paid more than a third of their income to housing costs in 1990. Low income renters are especially vulnerable to high housing costs. They have no protection from rising monthly rents and build no equity in their homes.
- In 1990, 45% of homeowner households in the two lowest income categories paid more than a third of their income to housing costs.

Data Sources: *1990 Census of Housing, Detailed Housing Characteristics, State of Washington*, U.S. Census Bureau.

Policy Rationale: The Policy rationale stems from Countywide Planning Policies AH-1, AH-2, AH-5 and AH-6, which reflect goals for meeting the housing needs of all income categories with particular emphasis on low and moderate income households' housing needs. This Indicator provides a picture of households at risk of losing their housing because they are "overpaying" what the typical household can afford for housing expenses. This Indicator points to "housing distress" in the County, particularly for moderate- and low-income households. By contrast, the Indicator also illustrates that upper income households typically pay a much lower percentage of income for housing costs.

AFFORDABLE HOUSING INDICATORS

Outcome: *Provide Sufficient Affordable Housing for all King County Residents*

INDICATOR 23: Homelessness

Estimated Number and Percent of Persons who are Homeless	
1996	5,530 (0.34% of county population)

Definitions:

- *Homeless refers to adults, children and youth sleeping in places not meant for human habitation (e.g. streets, parks, alleys, all-night commercial establishments, squatter situations, campgrounds, vehicles, railroad cars and other similar places); and adults, children, and youth in emergency or transitional shelters (including hotel/motel voucher arrangements paid because the person or family is homeless).*

Observations:

- Existing estimates of total persons homeless in King County are in the range of 5,530; this number includes an educated guess of the unsheltered population outside Seattle. The unsheltered population that is dispersed outside Seattle is the least documented segment of the homeless. Policy makers use this number as a minimum estimate rather than as an estimate of the magnitude of the problem.
- The Crisis Clinic's Community Information Line is the key referral source for homeless people. They have experienced a 29% increase from 1996 - 1997 in callers seeking emergency shelter.
- Operation Nightwatch has also seen a dramatic increase in persons seeking shelter. It assisted a total of 16,615 persons in 1993 and a total of 45,529 persons in 1997 - nearly three times as many in a period of four years.
- Policies directed toward housing affordability may help to prevent homelessness or reduce the amount of time spent homeless by the economically displaced, those whose difficulties stem chiefly from loss of income or housing. For those whose economic circumstances are caused or aggravated by drug and/or alcohol abuse, domestic violence or mental illness, creating more affordable housing is critical to increasing the likelihood of success of the necessary adjunct social services.
- A major obstacle to the homeless becoming housed is the high cost of moving into a rental unit. A typical \$650 apartment requires the first and last month's rent plus a security deposit to move in. Without financial assistance, a homeless person or family would need to save as much as \$1,600 or more to move into this apartment.

Data Sources: King County Department of Community and Human Services, City of Seattle Department of Housing and Human Services. Seattle-King County Coalition for the Homeless Annual Shelter survey, 1996.

Policy Rationale: The policy rationale stems from Countywide Planning Policy AH-2, regarding planning for low-income housing for households earning less than 50% of the King County median income. This Indicator would reflect changes in the size of the homeless population over time. Most homeless people have extremely low incomes, typically below 30% of the King County median income.

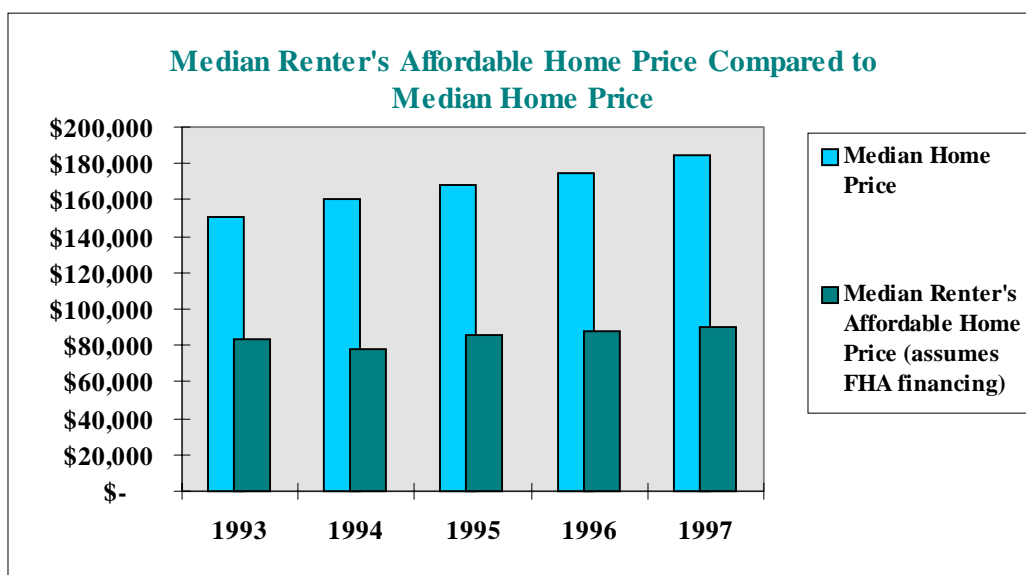
AFFORDABLE HOUSING INDICATORS

Outcome: Promote Affordable Home Ownership Opportunities

INDICATOR 24: Home purchase affordability gap for buyers with (a) median renter household income and (b) median household income.

A. Median Renter's Home Purchase Affordability Gap				
Year	Median Home Price	Median Renter's Affordable Home Price (assumes FHA financing)	Median Renter's Affordability Gap in Dollars	As Percent of Median Home Price
1993	\$ 151,000	\$ 83,400	\$ (67,600)	44.8%
1994	\$ 160,800	\$ 77,700	\$ (83,100)	51.7%
1995	\$ 167,650	\$ 85,500	\$ (82,150)	49.0%
1996	\$ 174,300	\$ 87,600	\$ (86,700)	49.7%
1997	\$ 184,800	\$ 90,600	\$ (94,200)	51.0%

A. Comparison of Median Home Price with Median Renter's Affordable Home Price



Definitions:

- The affordability gap is the difference between the price of the home that the buyer can afford to purchase and the median price of homes on the market.
- In 1997 the median household income was \$45,266, and the median **renter** household income was \$30,373. The median renter household income is 67.1% of median household income. Renters are assumed to use low down payment financing available for first time buyers (Table and Chart A). Conventional financing was assumed for the median household (Table and Chart B).
- The median home price is based on resale single family homes; it does not account for newly constructed homes. There is currently no measure of median home price that adequately accounts for new construction. New homes are generally more expensive than comparable resale homes; a true median, if it were available, would be higher than the median reported here. However, renters are more likely to purchase resale homes.

AFFORDABLE HOUSING INDICATORS

INDICATOR 24:

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- The median home price given above does not include condo or townhome sales. The median price of condos and townhomes for 1997 was \$123,500. The median home price for both single-family and condos is estimated to be approximately \$174,000. Exact data is not available.
- Low down payment financing assumes a 30 year term and 4.55% down payment. Average FHA interest rates were 7.37% in 1993, 8.58% in 1994, 8.05% in 1995, 8.10% in 1996, and 7.96% in 1997.
- Conventional financing assumes a 20% down payment; average interest rates were 6.72% in 1993, 6.67% in 1994, 7.4% in 1995, 8.17% in 1996, and 7.60% in 1997.

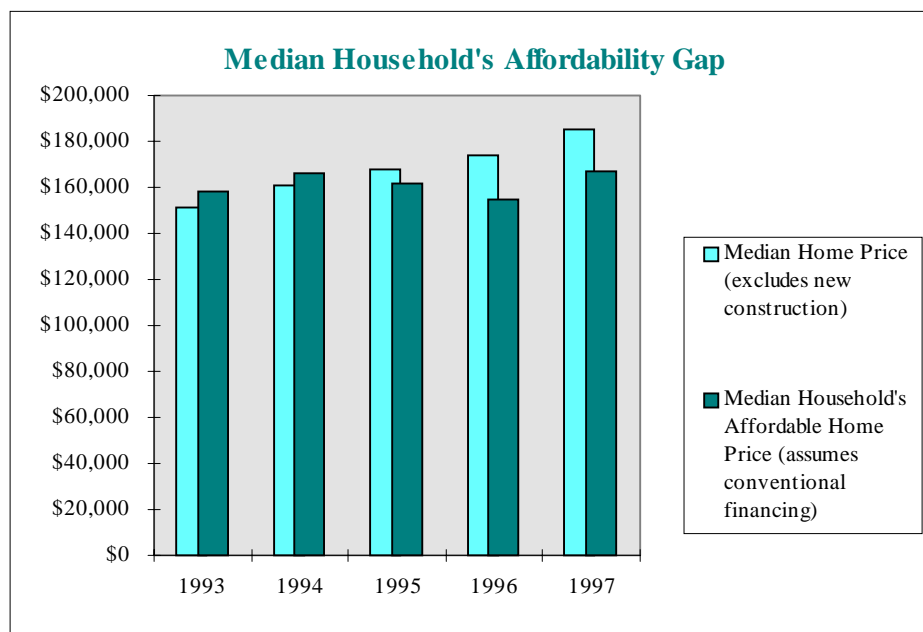
Observations, Table and Chart A:

- Fannie Mae surveys have shown that over 80% of renters nationwide would like to own their own home.
- Home ownership is not an affordable option for King County households with typical renter incomes. Factors contributing to this problem include rising home prices, and increasing ancillary costs such as fees, taxes and insurance.
- This five year snapshot indicates that the affordability gap for renters is 39% higher than in 1993. Currently the median renter can afford to pay less than half the amount of the median home price.
- In 1997, the median renter household had an income of \$30,373 and could afford to purchase a home for \$90,600. The median single family home price was \$184,800. By May 1998, the median price for a single family home in King County had risen to \$215,000.
- Condominium development creates more affordable home ownership opportunities for first time buyers. In King County during 1997, the median price of a condo or town home was \$123,500, still considerably higher than the median renter's affordable price of \$90,600. Although it provides more affordable homes for low income buyers, the conversion of rental housing to condominium ownership also diminishes the supply of rental housing.

B. Comparison of Median Home Price with Median Household's Affordable Home Price

B. Median Household's Home Purchase Affordability Gap			
Year	Median Home Price (excludes new construction)	Median Household's Affordable Home Price (assumes conventional financing)	Median Household's Affordability Gap In Dollars As Percent of Median Home Price
1993	\$151,000	\$158,400	\$7,400 -4.9%
1994	\$160,800	\$166,400	\$5,600 -3.5%
1995	\$167,650	\$162,000	(\$5,650) 3.4%
1996	\$174,300	\$154,900	(\$19,400) 11.1%
1997	\$184,800	\$167,000	(\$17,800) 9.6%

Note: A negative percentage in the last column means that the amount that the median household could afford to pay in that year was more than the median home price by that percentage. In 1996, a median household could afford a house that cost \$5,600 (or 3.5%) more than the median home price

AFFORDABLE HOUSING INDICATORS**• INDICATOR 24:***(continued from previous page)***Observations, Table and Chart B:**

- This five year view indicates that the median household could purchase the median home in 1993 and 1994, but faced an affordability gap in 1995, 1996, and 1997.
- Although the median income of King County households is rising and interest rates have fallen slightly during the past year, the price of homes continues to increase at a rapid rate. The median home price in 1997 was 22% higher than in 1993. The affordability gap is expected to increase over the next few years as a local economic boom exerts greater pressure on house prices.

Data Sources: For median home price and conventional interest rates, the *Seattle Everett Real Estate Research Report* published by the Seattle Everett Real Estate Research Committee. For FHA interest rates, the *Federal Reserve Bulletin* and Federal Home Loan Bank Market Services report, May 1998. For median household income for the Seattle-Bellevue-Everett PMSA, Strategic Mapping, Inc.'s *Market Profiles Analysis and Statistical Abstracts of the U.S.* (formerly published by Donnelly Marketing Information Services).

Policy Rationale: The policy rationale stems from Countywide Planning Policy AH-1, which requires jurisdictions to plan for the housing needs of all residents. This Indicator looks specifically at households earning the median renter household income and their ability to find affordable home ownership opportunities.

AFFORDABLE HOUSING INDICATORS

Outcome: Promote Affordable Home Ownership Opportunities

INDICATOR 25. Home ownership rate.

Home Ownership Rate		
Year	1980	1990
King County (overall)	62%	59%
Seattle	51%	49%
King County excluding Seattle	71%	65%
Pierce County	63%	60%
Snohomish County	72%	66%
United States	64%	64%

Definitions:

- The home ownership rate is the proportion of homes that are owner-occupied. The complement is the proportion of homes that are renter-occupied.
- Homes refer to housing units as defined in the census: all occupied houses, apartments, mobile homes or trailers, or a group of rooms or a single room occupied as separate living quarters.

Observations:

- Home ownership rates are declining in the Puget Sound region.
- Declines in home ownership have been concentrated among specific groups, including married couples with young children and single heads of households.
- Affordability is an important factor influencing the home ownership rate; affordability in turn is influenced by factors including market practices (banking requirements such as loan-to-value ratios and other lending criteria), interest rates, land values, and costs of labor and materials for new construction.
- The national home ownership policy goal is a 67% home ownership rate.
- The national home ownership rate in 1990 was approximately 64%. King County's 1990 home ownership rate is significantly less at 59%, and a continuing decline is expected.
- Figures in the table above are for 1980 and 1990 Census years. 1995 home ownership rates are available by metropolitan area. The 1995 home ownership rate for the Seattle Metropolitan Area, which encompasses King and Snohomish counties, is 61%. The Portland metropolitan area's home ownership rate is 60.3%. Salt Lake City's is 74.4% and Denver's is 65.9%. The San Francisco area's rate is 53.8%.
- Future work for this Indicator may include presenting home ownership rates for sub-regions of King County, undertaking a survey to establish home ownership rates between census years, and looking at changes in home ownership rates among different subgroups.



AFFORDABLE HOUSING INDICATORS

INDICATOR 25.

(continued from previous page)

Data Sources: U. S. Census, *General Housing Characteristics, Washington, 1980*. U.S. Census, *Summary Social, Economic, and Housing Characteristics, Washington, 1990*. Department of Housing and Urban Development, as reported in *The Seattle Times*, October 27, 1996.

Policy Rationale: The policy rationale stems from Countywide Planning Policy AH-6. Home ownership has traditionally indicated the relative health and stability of the community. However, home ownership rates have been declining for younger families and households for the last decade. This Indicator will also measure home ownership rates in comparison to other Western Washington counties.

AFFORDABLE HOUSING INDICATORS

Outcome: *Provide Sufficient Affordable Housing for All King County Residents*

INDICATOR 26: Apartment vacancy rate.

Average Apartment Vacancy Rates in King County Subareas					
	County	North [Seattle & Shoreline]	South	East	Rural
1994	5.80%	4.48%	7.46%	4.05%	5.05%
1995	4.95%	3.57%	6.66%	3.26%	7.15%
1996	4.25%	2.72%	5.90%	2.60%	7.20%
1997	2.80%	1.80%	3.70%	2.80%	2.60%

Definitions:

- The King County subareas shown above are depicted on the map following this Indicator.
- The North subarea is predominantly Seattle, but also includes Lake Forest Park and the area that is now the City of Shoreline.
- The Rural subarea consists of Enumclaw and Maple Valley.

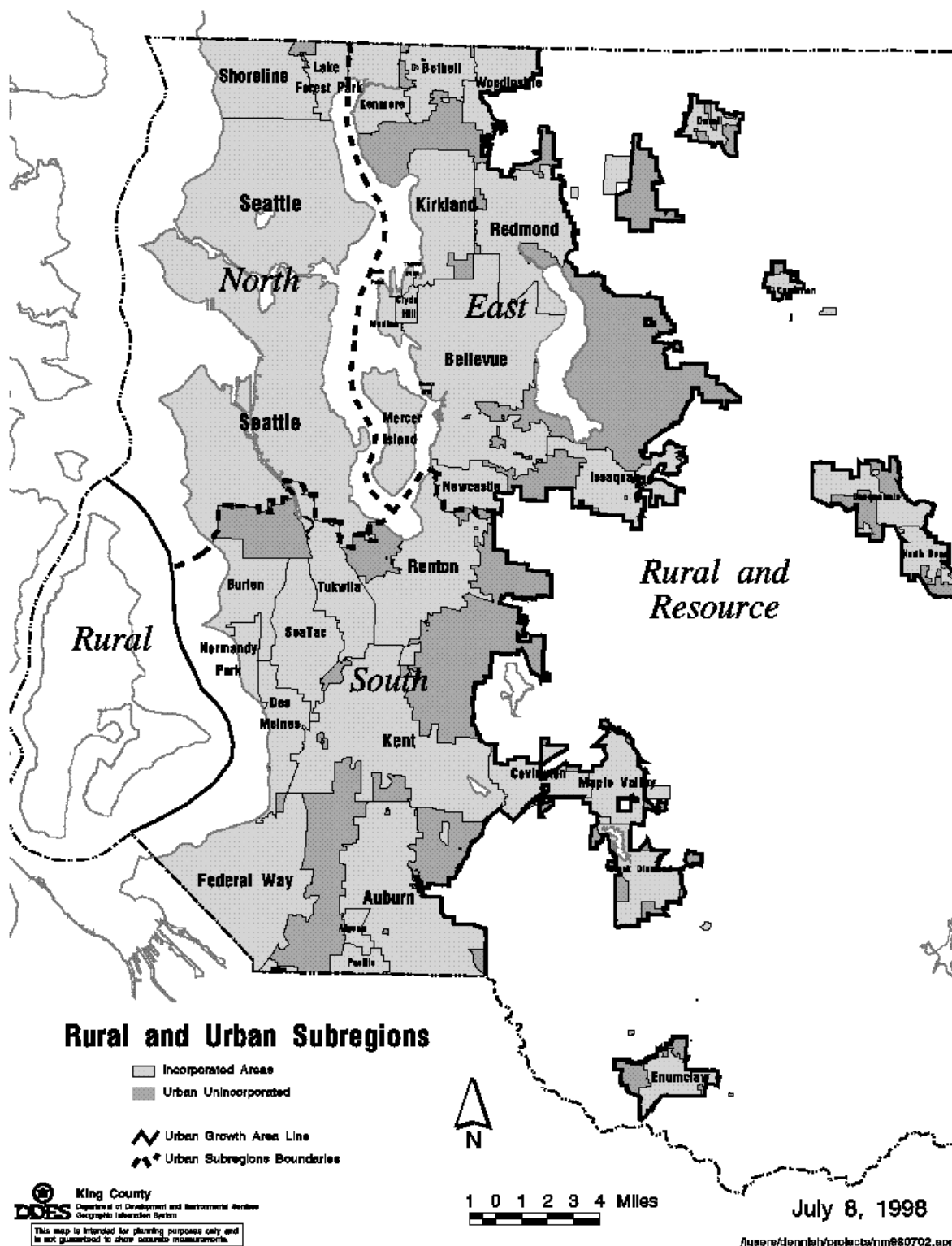
Observations:

- King County's overall average vacancy rates have shown a marked downward trend from 5.8% in 1994 to 2.8% in 1997. Vacancy rates vary widely across King County subregions, with corresponding variations in whether and to what extent rents will be expected to increase. Recently vacancy rates have tended to be highest in the south area of the county and lowest in the Seattle (north) region.
- Low vacancy rates suggest demand for new units and upward pressure on rents. High rates suggest excess capacity and downward pressure on rents. A vacancy rate of 5% is generally regarded as a normal market rate.
- Rental vacancy rates are influenced by the availability of housing stock, and measure the capacity to accommodate household demand. Lower rates indicate that there are fewer units available.

Data Sources: Rental vacancy rates by subareas are based on a twice yearly survey of apartment properties with more than 20 units, by Dupre & Scott Apartment Advisors, Inc. The survey generally represents a sampling of 70 percent of all the 20 or more unit apartment buildings in the region. The survey is reported by subarea; the reported subareas have been aggregated into the larger subareas shown above (north, south, east, rural) and their vacancy rates have been averaged over the two annual survey periods.

Policy Rationale: This Indicator is not specifically required by the Countywide Planning Policies, however, Policy AH-6 calls for a 5-year evaluation of achievement of countywide and local goals for housing taking into consideration market factors. Vacancy rates indicate capacity to accommodate household demand, which influences the rate at which rents rise. Tracking vacancy rates over time and in comparison to other jurisdictions (comparable to King County) and national averages will inform the evaluation process.

AFFORDABLE HOUSING INDICATORS

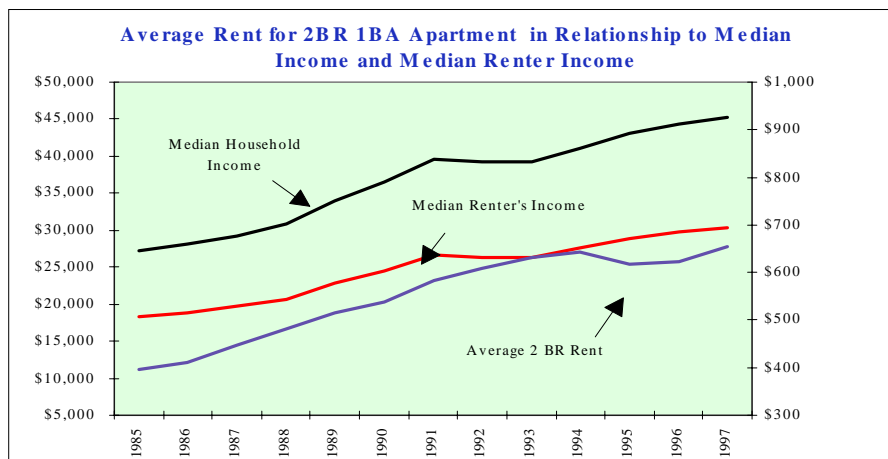
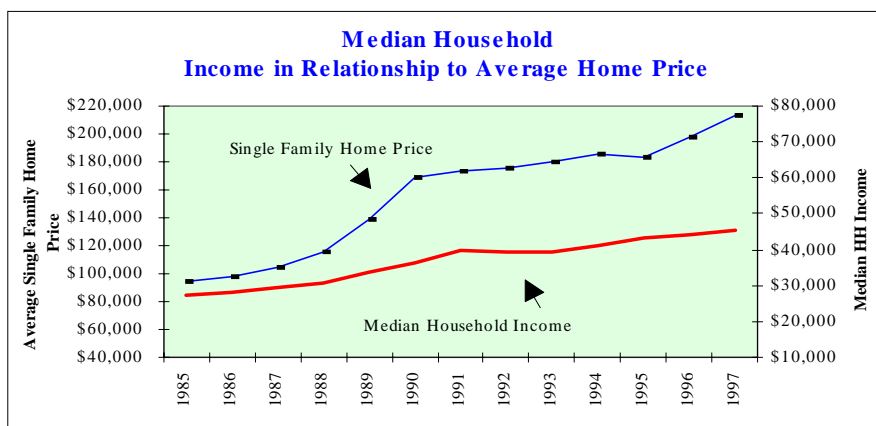


AFFORDABLE HOUSING INDICATORS

Outcome: Promote Affordable Home Ownership Opportunities

INDICATOR 27: Trend of housing costs vs. income.

Rate of Increase in HH Income, Average SF Home Price and Average Rent			
	Rate of Increase in Median HH Income	Rate of Increase in Average SF Home Price	Rate of Increase in Rent for 2BR/1BA Apartment
1985-1990 (Annual Avg.)	6.0%	12.5%	6.3%
1990-1991	8.8%	2.3%	8.4%
1991-1992	-1.1%	1.5%	4.8%
1992-1993	0.3%	2.4%	3.4%
1993-1994	4.5%	3.0%	1.7%
1994-1995	4.8%	-0.9%	-3.9%
1995-1996	3.0%	7.4%	8.0%
1996-1997	2.1%	8.4%	5.3%
1990-1997 Rate of Increase (Annual Average)	3.4%	3.8%	3.1%



AFFORDABLE HOUSING INDICATORS

INDICATOR 27:

(continued from previous page)

Definitions:

- The single family home price is an average for King County and includes condos and townhomes.
- Median **renter** income is the median household income for those who rent. It is 67.1% of the median household income.
- Average rent for a 2 bedroom/1 bath apartment is based on a twice yearly survey of apartment buildings of more than 20 units.

Observations:

- The average price for a single family home, condo or townhome was \$213,800 in 1997. Average house prices have increased more dramatically than median household income from 1995 to 1998. Increases in average rent have correlated more closely with changes in median income.
- Single family home prices reached their maximum rate of increase in the late 1980s -- the annual average increase was 12.5% per year in 1985 through 1990. Although the rate of increase was slower in the first half of the 1990s, home prices have again increased rapidly in 1996, 1997 and the first half of 1998, due to a strong regional economy.
- Home prices in the Puget Sound region rank among the highest in the nation. King County has the highest home prices within the region. In 1997, the average home price in King County was 43% higher than in Pierce County, 32% higher than in Kitsap County and 24% higher than in Snohomish County.
- Average rent for a two bedroom, 1 bathroom apartment in King County was \$655 in 1997. The affordable rent for a person with a median renter's income (67.1% of median household income) was \$755, based on 30% of income, assuming that utilities are included. In 1997, by this measure a household with a median renter income could afford an average 2 bedroom apartment. However, households of more than two to three persons in this income category are likely to require a larger unit at a higher median rent.
- In the first quarter of 1998 average rent for a two bedroom, 1 bath apartment was \$697, representing an 8% increase over the 1997 average. This sharp upward trend in rents is likely to outpace growth in household income in 1998.

Data Source: For median household income for the Seattle-Bellevue-Everett PMSA, Strategic Mapping, Inc.'s *Market Profiles Analysis and Statistical Abstracts of the U.S.* (formerly published by Donnelly Marketing Information Services). For average rent and average single family home price, *Seattle-Everett Real Estate Research Report* and *1997 Review and Highlights/Northwest Multiple Listing Service*.

Policy Rationale: The policy rationale stems from Countywide Planning Policies AH-2 and AH-6. This Indicator measures how quickly housing costs are increasing, and compares it to the rate of increase in median household income.

AFFORDABLE HOUSING INDICATORS

Outcome: *Promote Equitable Distribution of Affordable Low-Income Housing throughout King County.*

INDICATOR 28: Public dollars spent for low income housing.

Public Dollars Spent for Low Income Housing	
1996	\$21,073,042
1997	\$24,991,309

Definitions:

- Low income housing is defined as housing affordable to households earning 80% or below the median income in King County. For example, in 1997, a household of 3 at 80% of the median income earned \$39,650 a year.
- These public dollars represent funds which are controlled at the individual jurisdiction level such as bonds, levies, each jurisdiction's general funds and any in-kind contribution that can be quantified such as a waiver of fees or donation of land. Except for federal HOME dollars and some federal Community Development Block Grant (CDBG) funds, expenditures of federal and state funds are not included in the total. The figure does not include Federal Community Development Block Grant (CDBG) funds which are allocated to housing by a King County Consortium "pass through" city, Auburn, Bellevue, Seattle, or King County. These jurisdictions have local discretion whether to spend CDBG funds on housing rather than other eligible capital expenditures such as parks or sidewalks. The \$24,991,309 million figure above only includes local public dollars **allocated** to the new construction, rehabilitation, and/or preservation of housing with long-term affordability provisions.
- A **preserved** unit differs from a rehabilitated or constructed unit. It is an existing unit of housing which is required to remain or to become affordable for a specific period of time. For instance, with the help of public funds a non-profit agency purchases a market rate housing development which is then rented or sold with a requirement of long term affordability. A **rehabilitated** unit refers to repair or restoration of existing affordable housing. However, for most rehabilitated units there is no guarantee of long term affordability; therefore, such units do not increase the existing stock of affordable housing.
- Funds used for operating subsidies are not included in the figure above. An operating subsidy pays for items such as utilities, rent, or case management services located at the housing site. Many cities spend local dollars on housing operating subsidies, homeless prevention, and shelters. In the future we will track these critical expenditures as well.
- Renton, Seattle, King County, and the Muckleshoot Tribe also have housing authorities. Housing Authorities' expenditures are not represented in the total for this Indicator.

Observations:

- The purpose of Indicator #28 is to track the individual contributions each King County jurisdiction is making toward affordable housing for King County citizens at or below 80% of the median income.
- The \$24,991,309 million of local public dollars listed above leverage a significant amount of federal and state funds. Federal and State dollars provide the bulk of the funding for low income housing in King County. Although these funds are not included, their existence is critical to the supply of affordable housing. Almost all of the housing built with local public funds was assisted significantly by federal and state funding.
- Seattle has leveraged \$36.2 million dollars with their 1997 local funds. The leveraged funds include *Federal dollars*: McKinney, \$800,000; Nehemiah, \$690,000; DOE weatherization, \$780,000; and tax credits worth \$19,740,106. The city also leveraged *State and private dollars*: State Trust Fund, \$4.2 million; Weatherization, \$560,000; and \$8.6 million in private loans or owner equity.



AFFORDABLE HOUSING INDICATORS

INDICATOR 28

(continued from previous page)

- In 1997, approximately 497 low income housing units were funded with the help of local public dollars in King County outside of Seattle. 34 of these units were funded with federal HOME dollars.
- In 1997, an additional 417 single family units in King County outside of Seattle were rehabilitated without long-term affordability requirements. A total of \$2,844,351 million in public dollars was expended on these units. See jurisdiction notes for how these funds were expended in each jurisdiction.
- Seattle preserved or constructed 828 low-income housing units in 1997 with local public dollars and other leveraged funds.
- Many jurisdictions have also added rental housing units to their stock by enacting regulatory changes. For instance in 1997, jurisdictions reported a total of 186 Accessory Dwelling Units (ADU) permitted through new ADU Ordinances. An ADU is a separate and independent living unit created within or sometimes detached from the primary single family housing unit. Although these units are not necessarily low-income, they do increase the supply of rental housing in single family neighborhoods. Another 323 affordable units were added through other types of regulatory change.
- It is incorrect to derive the cost per unit by dividing the number of units listed here by the amount of local public dollars. Many additional funding sources helped pay for these units.

Data Source: King County cities' Benchmark Data, King County Office of Budget and Strategic Planning, and King County Department of Community and Human Services.

Policy Rationale: Countywide Planning Policy AH-6 calls for the Growth Management Planning Council (GMPC) or its successor to evaluate every five years the achievement of countywide and local goals for housing for all economic segments of the population. As part of its evaluation, the GMPC will review local performance in meeting low and moderate income housing needs. The policy requires the GMPC to use reasonable judgment, and consider market and other factors, and evaluate "action taken to encourage development and preservation of low and moderate income housing, such as local funding, development of code changes, and creation of new programs."

Metropolitan King County *Countywide Planning Policies* Benchmark Program

AFFORDABLE HOUSING INDICATORS

INDICATOR 28: Background Information

Public Dollars Spent for Low Income Housing

1997 Long-Term Affordable Housing Supported with Local Public Dollars						
	CDBG	Bonds	Local Levy	Gen. Fund	Other Local Funds	Total
Algona	\$0	\$0	\$0	\$0	\$0	\$0
Auburn	\$15,000	\$0	\$0	\$0	\$0	\$15,000
Beaux Arts	\$0	\$0	\$0	\$0	\$0	\$0
Bellevue	\$475,000	\$0	\$0	\$652,562	\$0	\$1,127,562
Black Diamond	\$0	\$0	\$0	\$0	\$0	\$0
Bothell	\$43,375	\$0	\$0	\$0	\$0	\$43,375
Burien	\$0	\$0	\$0	\$0	\$0	\$0
Carnation	\$0	\$0	\$0	\$0	\$0	\$0
Covington	not reported					
Clyde Hill	\$0	\$0	\$0	\$0	\$0	\$0
DesMoines	\$10,000	\$0	\$0	\$0	\$0	\$10,000
Duvall	\$0	\$0	\$0	\$0	\$0	\$0
Enumclaw	\$0	\$0	\$0	\$0	\$0	\$0
Federal Way	\$86,183	\$0	\$0	\$0	\$0	\$86,183
Hunts Point	\$0	\$0	\$0	\$0	\$0	\$0
Issaquah	\$29,185	\$0	\$0	\$0	\$0	\$29,185
Kent	\$91,946	\$0	\$0	\$0	\$0	\$91,946
Kirkland	\$225,894	\$0	\$0	\$184,000	\$0	\$409,894
Lake Forest Park	not reported					
Maple Valley	not reported					
Medina	\$0	\$0	\$0	\$0	\$0	\$0
Mercer Island	\$146,993	\$0	\$0	\$0	\$0	\$146,993
Milton	\$0	\$0	\$0	\$0	\$0	\$0
Newcastle	\$0	\$0	\$0	\$0	\$0	\$0
Normandy Park	\$0	\$0	\$0	\$0	\$0	\$0
North Bend	\$0	\$0	\$0	\$0	\$0	\$0
Pacific	\$0	\$0	\$0	\$0	\$0	\$0
Redmond	\$216,683	\$0	\$0	\$370,000	\$326,000	\$912,683
Renton	\$31,183	\$0	\$0	\$0	\$0	\$31,183
SeaTac	\$40,893	\$0	\$0	\$0	\$0	\$40,893
Seattle	\$4,289,772	\$1,202,685	\$9,183,155	\$955,915	\$3,987,205	\$19,618,732
Shoreline	\$0	\$0	\$0	\$0	\$0	\$0
Skykomish	\$0	\$0	\$0	\$0	\$0	\$0
Snoqualmie	\$0	\$0	\$0	\$0	\$0	\$0
Tukwila	\$0	\$0	\$0	\$0	\$0	\$0
Woodinville	\$0	\$0	\$0	\$0	\$0	\$0
Yarrow Point	\$0	\$0	\$0	\$0	\$0	\$0
Unincorp. KC	\$682,793	\$0	\$0	\$1,744,887	\$0	\$2,427,680
All Jurisdictions	\$6,384,900	\$1,202,685	\$9,183,155	\$3,907,364	\$4,313,205	\$24,991,309

Notes:

- (1) The public dollars are defined as funds that are controlled at the individual jurisdiction level such as bonds, levies, each jurisdiction's general funds, and any in-kind contribution that can be quantified such as a waiver of fees or donation of land. Local bond funds are only reported in the year the bonds are issued. For the most part, federal and state funds are not included. However, federal Community Development Block Grant funds spent on housing are counted for King County Consortium "pass through" cities, Seattle and King County. "Pass-through" cities, Seattle and King County have local discretion whether to spend CDBG funds on housing rather than other eligible capital expenditures such as parks.
- (2) The King County CBDG funds also include money allocated on behalf of King County small cities. These cities do not received their own CDBG funds.



Metropolitan King County *Countywide Planning Policies* Benchmark Program

AFFORDABLE HOUSING INDICATORS

Indicator #28 Background Information

Public Dollars Spent for Low Income Housing - 1997

Jurisdictions' Notes

Actions described below are in addition to the funding represented in the funding table:

Auburn has a draft Planned Unit Development ordinance that should be adopted by the end of 1998. Auburn spent \$120, 674 on rehabilitating 50 units.

Bellevue rehabilitated 41 units at a cost of \$226,000.

Bothell spent \$12,750 on rehabilitating 3 units.

Burien spent \$90,950 on rehabilitating 7 units.

DesMoines provided \$17,000 to rehabilitate 10 units.

Enumclaw rehabilitated 3 units at a cost of \$9,767.

Federal Way spent \$194,500 on rehabilitation of 29 units. It contributed \$75,000 to HomeSight which provides home ownership down payment assistance to persons of low and moderate income, and \$10,000 for acquisition of long-term leases for persons and their families living with AIDS. \$76,023 in operating subsidy was allocated in 1997 to agencies for emergency and transitional shelter programs. Federal Way also allowed 300 units of senior housing to be built in office park zones, added provisions in the subdivision code for cluster development, and provided density bonuses for affordable housing.

Issaquah facilitated the addition of 3 accessory dwelling units (ADU's) due to regulatory measures enacted by city. Zoning changes to increase downtown housing density and senior housing bonuses were in place by 1997.

Kent rehabilitated 83 residences through its Home Repair Program at a cost of \$230,960. Kirkland has adopted measures creating a mixed use overlay which allows housing in some commercial areas in the City. It also allows smaller single family lot sizes, and an ADU ordinance was adopted in late 1995.

Kirkland: 8 new accessory dwelling units were created in 1997. Regulatory measures used to produce affordable units include ADU regulations and Planned Unit Development regulations. In 1996, Kirkland adopted zoning code changes aimed at the preservation of affordable units through expanding the rehabilitation/remodeling opportunities for existing, non-conforming multi-family projects. Eight units were rehabilitated at a cost of \$38,250.

Mercer Island rehabilitated 3 units at a cost of \$21,250. 16 affordable household units were produced due to ADU regulations.

Redmond: 3 accessory dwelling units were created in 1997 and 4 additional units were produced as a condition of approval for a rezone. New residential regulations allow greater lot configuration flexibility and should increase yield of units/acre to reach true zoning capacity, thus reducing land cost per unit. Redmond contributed to the rehabilitation of 5 units at a cost of \$17,000.

Renton contributed \$191,342 to the King County Housing Rehabilitation program which rehabilitated a total of 176 units.

SeaTac has density incentives in place, but they have not yet resulted in the creation of any new affordable units. Accessory dwelling units are also permitted, but the city does not currently track them. New standards being considered may increase the number of accessory units. Sea Tac contributed \$76,500 to the KC Housing Repair program, resulting in the rehabilitation of 29 homes. It also contributed \$10,500 to REACH for its activities on affordable housing in the south end of the county.

Seattle: 174 new accessory dwelling units were produced because of ADU regulations. Other regulations which encourage affordable housing include: Transfer of Development Rights (TDR), TDR Bank, Low-income 'Fast Track' Building Permits, less parking required for affordable housing, and a revised land use code. Seattle rehabilitated 2828 units in 1997 with the help of state and federal as well as local funds. It provided \$1,480,435 in operating subsidies. See table below for further detailed information regarding Seattle's low income housing.

Shoreline rehabilitated 19 units at a cost of \$227,462.

Tukwila: Many of Tukwila's current multi-family dwellings house low-income residents. In 1997 Tukwila contributed \$105,047 to King County Housing Repair program for the rehabilitation of 26 units. It provided rental, mortgage, and emergency support through several community programs. It also contributed to REACH to support planning for affordable housing in the south region of the county.

Woodinville: One accessory dwelling unit was created in Woodinville due to greater flexibility in ADU regulations. Building permit fees are waived for affordable units. Woodinville contributed \$5225 in dollars and \$5777 in kind to ARCH for regional efforts toward affordable housing.

Yarrow Point: Two affordable units were produced because of zoning regulations.

Unincorporated King County spent \$1,265,763 on the rehabilitation of 75 units. An additional amount \$1,486,611 of federal HOME dollars was allocated as part of the King County HOME Consortium; a group of all the suburban King County cities and Unincorporated King County. Each year, the cities in which HOME dollars are expended depends on the location of the successful housing developments applying for the funding. Seattle receives its own funds. Regulatory measures used to produce low income units include: ADU regulations, waivers for school impact and road mitigation fees, and density bonuses.



AFFORDABLE HOUSING INDICATORS

INDICATOR 28: Background Information

Public Dollars Spent for Low Income Housing

Notes: For 1996 Seattle reported the number of units produced through regulatory measures as follows.*

Accessory Dwelling Units: Accessory Units: (Department of Construction and Land Use data): 223 Accessory Units produced in 1996. No precise data on rents for ADU's is available. Because of the generally small size of ADUs, it is reasonable to assume that rental costs for most, if not all, of the Accessory Dwelling Units produced in 1996 are less than the maximum allowable affordable monthly housing payments for 1 to 2 persons.

Low-Income 'Fast-track' Building Permits: The City's Department of Construction and Land Use 'fast-tracks' building permits for low-income housing projects, thereby facilitating the development of affordable housing units and saving on overall project costs. Since 1990, the City has reduced permit processing time (by as much as 75% in some permit categories), thus reducing development costs and creating opportunities for providing more affordable housing.

Parking for Affordable Housing: In 1996, the City of Seattle implemented a new zone, the "Seattle Cascade Mixed" zone. Parking is not required for residential uses in the SCM zone, which will reduce the development costs for each unit and help create affordable housing.

Transferable Development Rights: The purpose of the City's Transferable Development Rights program is to provide incentives for preserving low-income housing and other structures downtown. Transferable development rights are marketed by commercial developers seeking to maximize the densities for new development on their sites. The TDR program has, to date, contributed to the preservation of 381 low-income units in seven buildings downtown. At present, it is estimated that between 8000,000 to 1.4 million square feet of floor space are potentially eligible to carry transferable development rights.

Transfer of Development Rights Bank: In addition, the City has an active "Transfer of Development Rights Bank". The purpose of banking TDR rights is to purchase and hold development rights until they could be resold on the market. Currently, the total square footage in the TDR bank is about 542,000 square feet. In the current downtown real estate market, it is anticipated that these banked development rights will be marketable, contributing to the preservation and potential rehabilitation of low-income units.

Land Use Code Encourages Affordable Housing: The City's long standing policy of encouraging the development of affordable housing is reflected in the Land Use Code. There are no limits on density in midrise, high-rise and downtown zones; in commercial zones there are no limits on density for mixed use development. The additional supply of units produced by these code provisions helps reduce market pressures which would otherwise create less affordable housing.

**This data has not been updated for 1997.*



Metropolitan King County Countywide Planning Policies Benchmark Program

AFFORDABLE HOUSING INDICATORS

Indicator 28: Background Information

Public Dollars Spent for Low Income Housing

Twenty Year Affordable Housing Targets as Adopted by the King County Countywide Planning Policies

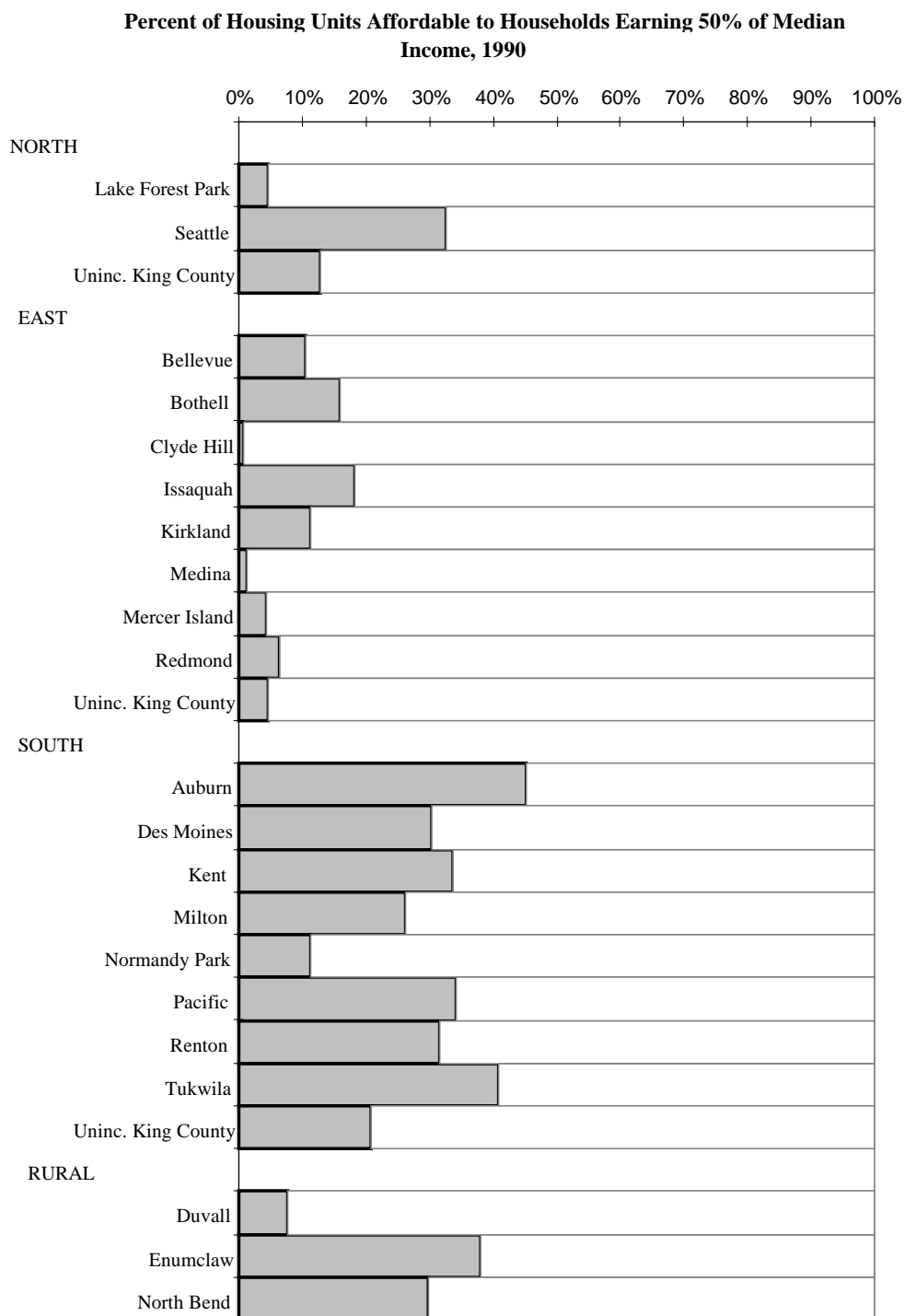
Overall Household Target	Jurisdiction	Affordable Housing Target	Low Income Target	Very Low Income Target
		0%-80% of median income	50-80% of median income	0%-50% of median income
Net New Households as Adopted in Comprehensive Plan		Affordable Housing Target is the Low Target plus the Very Low Target	"17% of net household growth affordable to households with incomes between 50% and 80% of median household income" (CPPs)+	"20% of net household growth affordable to households with incomes between 9% and 50% of median household income" (CPPs)
450	Algona	167	77	90
7,030	Auburn	2,601	1,195	1,406
0	Beaux Arts	0	0	0
8,600	Bellevue	3,182	1,462	1,720
2,045	Black Diamond	757	348	409
1,700	Bothell	629	289	340
1,596 to 1,995	Burien	591 to 738	271 to 339	319 to 399
404	Carnation	149	69	81
13	Clyde Hill	5	2	3
2,335	DesMoines	864	397	467
2,044	Duvall	756	347	409
2,700	Enumclaw	999	459	540
13,425 to 16,556	Federal Way	4,967 to 6,126	2,282 to 2,815	2,685 to 3,311
4	Hunts Point	1	0	1
2,940	Issaquah	1,088	500	588
7,520	Kent	2,782	1,278	1,504
5,328 to 6,346	Kirkland	1,971 to 2,348	906 to 1,079	1,066 to 1,269
153	Lake Forest Pk.	57	26	31
17	Medina	6	3	3
1,610	Mercer Island	596	274	322
18	Milton	7	3	4
-	Newcastle	-	-	-
181	Normandy Park	67	31	36
1,527	North Bend	565	260	305
606 to 1,818	Pacific	224 to 673	103 to 309	121 to 364
9,878	Redmond	3,655	1,679	1,976
5,789	SeaTac	2,142	984	1,158
50,000 to 60,000	Seattle	18,500 to 22,200	8,500 to 10,200	10,000 to 12,000
17	Skykomish	6	3	3
2,450 to 3,100	Snoqualmie	907 to 1,147	417 to 527	490 to 620
-	Shoreline	-	-	-
4,791 to 6,014	Tukwila	1,773 to 2,225	814 to 1,022	958 to 1,203
1,800	Woodinville	666	306	360
18	Yarrow Point	7	3	4
34,200 to 41,800	Unincorp.KingCo	12,654 to 15,466	5,814 to 7,106	6,840 to 8,360
5,800 to 8,200	Urban	2,146 to 3,034	986 to 1,394	1,160 to 1,640
184,914 to 212,547	Rural			
	Total	68,418 to 78,642	31,435 to 36,133	36,983 to 42,509

Notes :

- For cities that have not yet adopted Comprehensive Plans, the number shown is the target adopted in the Countywide Planning Policies (CPPs) in 1996.
- Shoreline, Newcastle, Maple Valley, and Covington are new cities; they were not assigned a household target in the Countywide Planning Policies and they have not yet adopted targets for their own Comprehensive Plans. However, the areas that became these cities are accounted for in the target for Unincorporated King County. Maple Valley and Covington are not shown on the table.
- The CPPs mandate that 20% OR 24% of projected net household growth should be affordable to households earning from 0% to 50% of household median income. For the purposes of this table, 20% was used for all jurisdictions. (King County Countywide Planning Policies: AH-1; AH-5; AH-6.).

AFFORDABLE HOUSING INDICATORS

INDICATOR 29: Existing housing units affordable to low income households.





AFFORDABLE HOUSING INDICATORS

INDICATOR 29:

(continued from previous page)

Definitions:

- *This analysis is for cities and census designated places whose population was 2,500 or more in 1990.*
- *The 1990 Census median household income was \$36,179; 50% of that is \$18,090.*
- *To establish the number of affordable housing units the following assumptions were made: conventional financing with a 30 year term, 20% down payment, and an interest rate of 9.97%. Assuming a 20% down payment makes housing units appear **more** affordable than they would be to buyers using low down payment financing, because a lower down payment requires a higher monthly mortgage payment.*
- *The figures above are drawn from the Census count of specified housing units. Specified housing units, owner occupied, excludes mobile homes and trailers, houses on more than 10 acres, houses with a business or medical office on the property, and owner occupied units in multi-unit buildings. Specified housing units, renter occupied, includes units in multi-unit buildings, rented SF houses on less than 10 acres, and appears to include rented mobile homes.*
- *On average, specified housing units make up about 89% of the total housing stock.*

Observations:

- Homeowners' estimates of the value of their homes as reported in the census have been shown to be lower than the actual market value, hence this analysis overestimates how affordable these units would be if they were on the market.
- Overall, Rural and South King County cities have the highest proportion of affordable housing.
- Cities on the Eastside have the lowest proportion of affordable housing.
- In Seattle, King County's largest city, approximately 33% of housing units were affordable to households earning 50% of median income.

Data Source: 1990 Census of Population and Housing, Detailed Housing Characteristics, State of Washington.

Policy Rationale: The policy rationale stems from Countywide Planning Policy AH-2 and AH-6, which call for achieving a rational and equitable distribution of affordable housing to meet the needs of low and moderate income residents in King County and directs all jurisdictions to share the responsibility. The Indicator would focus only on low-income housing and where it is located in the County.